PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

CLERK'S OFFICE

NOTICE OF FILING AND HEARING

DOCKET NO. 2014-69-S

APPLICATION OF PALMETTO WASTEWATER RECLAMATION LLC d/b/a ALPINE UTILITIES AND d/b/a WOODLAND UTILITIES FOR ADJUSTMENT OF RATES AND CHARGES AND MODIFICATION TO CERTAIN TERMS AND CONDITIONS RELATED TO THE PROVISION OF SEWER SERVICE

Palmetto Wastewater Reclamation LLC d/b/a Alpine Utilities ("Alpine") and d/b/a Woodland Utilities ("Woodland") (jointly referenced as "the Company") has filed an Application with the Public Service Commission of South Carolina (the Commission) for an adjustment of the Company's rates and charges for the provision of sewer service, consolidation of the Woodland Utilities rate schedule into the Alpine Utilities rate schedule, and modifications to certain terms and conditions of the provision of its service to customers in the Woodland portion of the Company's service area. The Application was filed pursuant to S.C. Code Ann. §58-5-240 (Supp. 2013) and 10 S.C. Code Ann. Regs. 103-512.4.A and 103-503. Alpine provides sewer service to the public for compensation in certain areas of Richland and Lexington counties pursuant to rates authorized by the Commission in Order No. 2013-3(A) in Docket No. 2012-94-S. Woodland provides sewer service to the public for compensation in portions of Lexington County as authorized by Commission Order No. 2007-473 in Docket No. 2007-61-S and Order No. 2011-320 in Docket No. 2011-65-S.

As justification for the requested rate adjustments, as it relates to Woodland, page five of the Application states, among other things, that expenses associated with Woodland's system have increased by approximately \$275,000 since the approved test year for the last rate case. Additionally, other improvements made by Woodland to its system, as stated on pages five and six of the Application, total approximately \$1.32 Million since the issuance of Order No. 2011-320. As it relates to Alpine's request for rate relief, page six of the Application states that since the approved test year for the last rate case, expenses associated with Alpine's system have increased by approximately \$414,000. Additionally, page six of the Application states that Alpine has made additional investments to its system at a cost of approximately \$4.52 Million since the issuance of Order No. 2013-3(A).

On pages two and three of the Application, the Company requests that the Commission approve an increase in its monthly sewer service rates for all customers and the adoption of certain other non-recurring charges for current customers in the Woodland portion of its service area. In support of its request for this increase, the Company asserts, among other things, that the proposed sewer rate increases are necessary in order that it may provide reasonable and adequate service to its customers, allow the Company to recover its expenses of operation, comply with environmental regulations, and earn a reasonable return on its investment. The Company also asserts that the proposed sewer rate increase is necessary to preserve its financial integrity and to permit continued investment in and maintenance of its facilities so as to provide reliable and high quality services. The Company also seeks modifications to certain terms and conditions of its rate schedule to be applied in the Woodland portion of its service territory, including the adoption of language pertaining to circumstances under which the Company will bill tenants for service, the inclusion of fees and charges for opening customer accounts, late payments, disconnection notifications and service reconnections, and the reflection of commercial rates based upon single family equivalency ratings. According to the Company, the result of these modifications will be uniform rates and terms and conditions of service for all customers served by the Company's Alpine and Woodland wastewater systems.

THE PROPOSED CHANGES IN THE RATES AND CHARGES ARE SET FORTH BELOW (The complete rate schedule is available from the Company at the address below and on the Commission's website at www.psc.sc.gov)

Alpine Residential Monthly Charges	Current	Proposed
Residential monthly charge	\$29.00	\$35.50
Per single-family house, condominium,		
villa, or apartment unit		
Mobile Homes	\$21.76	\$26.50

Direct correspondence to: Public Service Commission of South Carolina

Attention: Clerk's Office Post Office Drawer 11649 Columbia, SC 29211

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Woodland Residential Monthly Charges	Current	Proposed
Residential monthly charge	\$24.00	\$35.50
Per single-family house, condominium,		
villa, or apartment unit		
Mobile Homes	N/A	\$26.50

Alpine Commercial Customers Monthly Charges	Current	Proposed
Per Single Family Equivalent*	\$29.00	\$35.50
Minimum**		

Woodland Commercial Customer Monthly Charges	Current***	Proposed
Per Single Family Equivalent* Minimum**	\$1.70 per person	\$35.50

^{*}Charges for commercial establishments served by the Company are based upon single family equivalency (SFE) ratings set using wastewater treatment plant loading factors established in S.C. Code Ann. Regs. 61-67, Appendix A, with the exception that commercial customers in the category defined by R. 61-67.FF.3 shall have an equivalency rating of 0.025 (10 gallons per day (GPD)/ 400 gallons per day = 0.025) per car served.

**All commercial customers will pay based on a minimum SFE rating of one (1), which is \$35.50 per month. Some commercial customers will have minimum SFE ratings greater than one (1).

***There is only one commercial customer (a school) currently served by the Company's Woodland system.

A copy of the company's application can be found on the Commission's website at www.psc.sc.gov under Docket No. 2014-69-S. Additionally, a copy of the application is available from the corporate office of John M. S. Hoefer, Esquire and Benjamin P. Mustian, Esquire, Willoughby and Hoefer, P. A., Post Office Box 8416, Columbia, South Carolina 29202.

PLEASE TAKE NOTICE that a hearing on the above matter has been scheduled to begin on **Tuesday**, **July 22**, **2014**, **at 10:00 a.m.**, before the Commission in the Commission's Hearing Room at 101 Executive Center Drive, Saluda Building, Columbia, South Carolina 29210 for the purpose of receiving testimony and evidence from all interested parties. The hearing may continue through July 23, 2014, if necessary.

Any person who wishes to participate in this matter as a party of record should file a Petition to Intervene in accordance with the Commission's Rules of Practice and Procedure on or before **April 29, 2014**. For the receipt of future Commission correspondence, please include an email address in the Petition to Intervene. *Please refer to Docket No. 2014-69-S and mail a copy to all other parties in this docket*. Any person who wishes to testify and present evidence at the hearing should notify, in writing, the Commission; the Office of Regulatory Staff at 1401 Main Street, Suite 900, Columbia, South Carolina 29201; and the company at the above address, on or before **April 29, 2014**. *Please refer to Docket No. 2014-69-S*.

Any person who wishes to request that the Commission hold a public hearing in his or her county of residence in order to hear comments from the utility's customers, should notify, in writing, the Commission; the Office of Regulatory Staff at 1401 Main Street, Suite 900, Columbia, South Carolina 29201; and the company at the above address, on or before **April 29, 2014.** *Please refer to Docket No. 2014-69-S*.

For the most recent information regarding this docket, please refer to www.psc.sc.gov and Docket No. 2014-69-S.

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PLEASE TAKE NOTICE that any person who wishes to have his or her comments considered as part of the official record of this proceeding <u>MUST</u> present such comments in person to the Commission during the hearing.

Persons seeking information about the Commission's procedures should contact the Commission at (803) 896-5100 or visit its website at www.psc.sc.gov.

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